

More choice, more control: Ontario's auto insurance reforms put you in the driver's seat

Starting July 1, 2026, Ontario is making auto insurance more flexible. Some accident benefits that were previously included in every auto insurance policy will become optional, giving you more choice to select coverage that fits your needs and budget

What are Statutory Accident Benefits?

Statutory Accident Benefits (SABS) provide financial support if you are injured in a car accident. These benefits are available regardless of who caused the accident and can cover things like medical treatment, rehabilitation and income if you can't work because of your injuries.

What's staying the same?

Standard medical, rehabilitation and attendant care benefits will continue to be included in all auto insurance policies. These benefits help cover essential recovery support after an accident.

You still have the option to purchase additional or increased benefits and coverages, such as supplementary medical, rehabilitation and attendant care, dependant care and indexation benefits.

What's becoming optional?

The following auto insurance accident benefits will become optional:

- **Income replacement:** Helps replace income you lose because of an accident.
- **Non-earner:** If you're a student or unemployed and an accident keeps you from leading a normal life, this provides financial support while you recover.
- **Caregiver benefits:** Covers caregiving expenses if you or another covered person is injured and can no longer provide care for a household member such as a child or aging parent who needs it.
- **Lost educational expenses:** If a car accident keeps you from attending school or an education program, this benefit helps cover the costs you've lost.
- **Expenses of visitors:** Covers reasonable and necessary expenses of visitors if you or another covered person is injured in an accident.
- **Housekeeping and home maintenance:** Helps cover costs if you or another covered person is unable to perform the housekeeping and home maintenance tasks normally done before the accident.
- **Damage to personal items:** Covers the cost to repair or replace personal items (e.g., clothing, prescription eyewear, hearing aids, etc.) that were damaged in the accident
- **Death benefits:** Compensates some family members if you or a covered person dies due to an accident.
- **Funeral benefits:** Helps cover some funeral costs.

Who is covered under Statutory Accident Benefits (SABS)?

Starting July 1, 2026, optional benefits under your auto policy will only apply to:

- The named insured
- The spouse of the named insured
- Dependants of the named insured and of the named insured's spouse
- Persons specified in the policy as drivers of the automobile

This means that some people, such as pedestrians, cyclists, and certain passengers who may have been covered in the past may no longer be eligible for accident benefits unless they are included in the categories listed above.

What this means for you:

If you're an existing customer

Your current coverage will automatically continue unless you let your broker know you would like to make specific changes to your auto insurance policy. You will need to review and decide whether you would like to keep, add, or remove coverage.

If you're a new customer

Starting July 1, 2026, new customers may choose which optional accident benefits they would like to purchase. Ask your broker which benefits are included in your quote. You may want to add optional benefits to your policy based on your needs.

If you're a commercial customer or employee

Speak to your broker to learn more about how this change impacts you or your employees.

What steps should I take?

- **Review your current coverage (if you are an existing customer)**
Know what benefits you already have today through your auto insurance policy
- **Review your workplace or private benefits plan**
Avoid duplication, you may already have coverage through your workplace, private benefits plan, or life and health insurance providers.
- **Think about your needs**
Consider which coverage is right for you
- **Speak to your broker**
They can help explain your options

Make informed decisions; choose the benefits that best fit your needs.

Quick links

- [Statutory Accident Benefits Legislation](#)
- [OAP-1](#)

Need help?

Contact us at Baird MacGregor Insurance Brokers LP